Turkey held the second wind power plant tender as part of its Renewable Energy Resource Zones (YEKA) project. The total 1 GW tender was split into 250 MW each across four provinces in Turkey—Aydın, Muğla, Balıkesir, and Çanakkale.

Turkish Sabancı Holding’s and German Eon’s joint venture Enerjisa won the tenders for Aydın and Çanakkale, while another German giant, Enercon, won the bids to build wind farms in Muğla and Balıkesir. The winners will be able to sell electricity for 49 years, which includes 15 years of a purchase guarantee agreement. Enerjisa and Enercon are expected to invest USD 1 billion in total within the scope of the projects. They will build wind power plants in these four different provinces utilizing 65 percent local content. These locally-produced wind turbines will generate a minimum 3.5 billion kWh of electricity each year, which is enough to supply the needs of 1.2 million homes.

Speaking after the tender, Energy and Natural Resources Minister Fatih Dönmez emphasized that the broad participation of the world’s leading companies is indicative of the confidence in Turkey’s economy and energy markets.

The first of the YEKA wind power auctions in Turkey took place on August 3, 2017 and was won by a Turkish-German consortium of Siemens Gamesa Renewable Energy-Türkerler Energy-Kalyon Construction.

Germany has been the focus of the Investment Office’s agenda in June 2019. It bears reminding that one of the winners of the second YEKA wind power auction in Turkey was a German company, Enercon.

Against this backdrop, we had several meetings with German investors in June, including hosting of a German delegation in Istanbul.

The agenda of the Investment Office in June also included meetings and seminars around the globe, including workshops in the US, the UAE, South Korea and Japan.

Arda ER MUT
President, Investment Office
The foundation of Turkey’s automotive industry dates back to the early 1960s. During a period of rapid industrialization and progress, this key sector transformed itself from assembly-based partnerships to a full-fledged industry with design capability and massive production capacity. The Customs Union Agreement (CUA), which came into force in 1996, was a cornerstone for the Turkish automotive industry. After the CUA, both OEMs and automotive suppliers integrated their manufacturing bases and Turkey became an export hub for global manufacturers. Turkey is now home to 9 global brands, which makes it number one in the region.

Highlights of the Turkish Automotive Market

- **$15 billion** Investments of global brands in the Turkish automotive sector since 2002.
- **1.5 million** Number of vehicles produced in Turkey in 2018.
- **1<sup>st</sup>** Turkey’s rank in the light commercial vehicle production in Europe.
- **5<sup>th</sup>** Turkey’s rank in Europe’s automotive production list.
- **15<sup>th</sup>** Turkey is the 15<sup>th</sup> largest automotive hub in the world.
- **85%** Average export rate of OEMs in Turkey.
- **14%** The CAGR of the vehicle market in Turkey for the term 2002-2017.
- **150** Number suppliers’ R&D centers accredited by the Ministry of Industry and Technology in Turkey.
- **30** of the top 50 global suppliers have production facilities in Turkey.
- **430+** Number of tier-one suppliers in Turkey.
Alipay, a payment platform introduced by Alibaba, has begun providing services through a partnership with Ininal to Chinese tourists visiting Turkey. Ininal is a subsidiary of MultinetUp operating in fintech.

Sabanci Holding and Bridgestone Corporation’s joint venture Brisıa, one of the largest tire manufacturers in Europe, announced their decision to invest around USD 45 million this year and increase exports by 20 percent. Sabanci Holding also sold its stocks in Temsa for TRY 182.7 million to British True Value Capital Partner.

Toyota and Panasonic took a step forward to produce batteries for electric cars in Turkey. The establishment of the joint venture between the two companies to engage in R&D, production, and sales was recently authorized.

Microsoft launched its first technology center of the MEA region in Turkey. During his address at the opening ceremony, Minister of Industry and Technology Mustafa Varank said that the new plant is expected to add TRY 2.5 billion (USD 430 million) value to the national economy.

French PSA Group invested in Opel’s existing operational premises in Torbali, Izmir, as part of efforts to establish a strategic spare parts distribution center in Europe. PSA Group Turkey President Olivier Cornuaille: “PSA Group has confidence in the Turkish economy and market. We will continue with our growth and investments with Peugeot, Citroen, DS, and Opel. Our upcoming investment project in Turkey backs this perspective.”

Investment Office President Arda Ermut briefed the delegation on Turkey's current economic outlook, reform process, and investment environment.

Hosted by the Investment Office in collaboration with various stakeholders from the public and private sectors, the second edition in a series of the “Future of the Automotive Industry” workshops showcased ideas about the future vision of the Turkish automotive industry, and was attended by a number of Turkish employees from global automotive companies in Michigan.

Meanwhile, the third edition of the workshops was held at Stanford University, drawing considerable interest from Turkish employees from technology companies based in Silicon Valley.
JUNE 19 | ISTANBUL – TURKEY

Necmettin Kaymaz of Investment Office spoke at the Turkish Corporate Restructuring Forum in Istanbul, where he underlined Turkey’s attractive investment climate and how FDI has exponentially increased in Turkey over the past 17 years, surpassing USD 210 billion. Mr. Kaymaz also emphasized that local and international companies in Turkey have been successfully managing corporate finance.

JUNE 18 | DUBAI, ABU DHABI – UAE

Turkish fintech companies and UAE-based investors and financial institutions exchanged views during multiple events held in Dubai and Abu Dhabi in cooperation with the Investment Office, the Turkish Consulate in Dubai, and Fintech Time. Companies presented their business cases to UAE investors and discussed possible cooperation opportunities during one-on-one meetings, while also getting briefed on the region’s economic outlook by the Turkish Ambassador in Abu Dhabi and Consul General in Dubai.

JUNE 12 | SEOUL – SOUTH KOREA

Investment Office Country Advisor Taha Saran delivered a presentation entitled “Turkey as an Investment Destination” to the top executives of South Korean companies in a business seminar that was co-hosted with the Industrial Bank of Korea (IBK) and Hankuk University of Foreign Studies (HUFS) in Seoul. The event opened with a keynote speech by IBK Executive Vice President Choi Seok-Ho and HUFS Dean Prof. Oh Chong-Jin. Director General from Korea EXIM Bank Prof. Jo Yang-Hyeon also delivered a presentation on Turkey’s economy and its investment environment for South Korean investors.

JUNE 21 | TOKYO – JAPAN

Investment Office’s latest seminar in Tokyo on Turkey’s investment climate and economic outlook drew intense interest from the Japanese business community. Investment Office Country Advisor Yuichi Aoki addressed the participants with a speech that was followed by a productive Q&A.

JUNE 4-5 | MADRID – SPAIN

Necmettin Kaymaz of the Investment Office shared Turkey’s track record and experience in public-private partnership at “PPP2025” in Madrid, Spain, highlighting the role of international financial institutions and investors in Turkish PPP market.